Action plan to control inflation

1421. SHRI KALRAJ MISHRA: Will the Minister of FINANCE be pleased to state:

(a) what has been the rate of inflation month to month since April, 2004;

(b) whether Government have prepared a comprehensive action plan to keep inflation below 5 per cent in the years to come;

(c) if so, the details thereof; and

(d) the steps taken/being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Sir, the rate of inflation on a month-to-month basis since April 2004 to October, 2006 is indicated in Table below.

Table: WPI-inflation on months average based

Year	Month	Inflation
2004-05	APR	4.51
	MAY	5.02
	JUN	6.68
	JUL	7.61
	AUG	8.46
	SEP	7.92
	OCT	7.27
	NOV	7.52
	DEC	6.73
	JAN	5.54
	. FEB	5.01
	MAR	539
2005-06	APR	5.91
	MAY	5.55
	JUN	4.32
	JUL	4.29
	AUG	366
	SEP	406

Year	Month	Inflation
	OCT	4.71
	NOV	421
	EEC	4 45
	JAN	4.08
	FEB	4.03
	MAR	385
2006-07	APR	388
	MAY	473
	JUN	5.12
	JUL	483
	AUG	512
	SEP	4 92*
	OCT	525

"Provisional.

(b) to (d) It has been the continuous effort of the Government to keep inflation under check. Accordingly, various measures have been taken recently in this direction. These include strict fiscal and monetary discipline, towering of duties, effective management of supply and demand of essential commodities through import, strengthening of the public distribution system and curbing of export of certain commodities.

Unfair revision of rates on loans

1422. SHRI KALRAJ MISHRA Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that most of the borrowers including home tone borrowers from Banks including the Public Sector Bank, having contracted loans at friendly rates lately found themselves in for a rude shock when the rates were of inscape clause in the loan agreement that allow them to revise the rates even in case of fixed rate loan; and

(b) if so, whether Reserve Bank of india has intervened to give just and fair terms to the borrowers, if so the steps taken by RBl in this regards?

(THE MINISTER OF STATE IN THE MINISTRY OF FlNANCE(SHRI PAWAN KUMAR BANSAL): (a) and (b) Reserve Bank of India (RBI) has deregulated the interest rates on advances above Rs. 2 lakh *w.e.f.* October 18,1994, and accordingly, the rate of interest on advances above Rs 2 lakh are determined by the banks themselves. In order to enhance transparency